

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

P

W-01676A
Pineview ~~Land and~~ Water Company, Inc.
5198 Cub Lake Rd.
Show Low AZ 85901

APR 15 2005

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name) Pineview Water Company, Inc.

Mailing Address 5198 Cub Lake Road

(street)

Show Low

(City)

Arizona

(State)

85901

(Zip)

(928) 537-4858

Telephone No. (Include Area Code)

(928) 537-2180

Fax No. (Include Area Code)

(928) 243-0954

Pager/Cell No. (Include Area Code)

Email Address kratchmeir@oc-net.com

Local Office Mailing Address Same as Above

(street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Management Contact: Ernie Sutter

(Name)

Vice President

(Title)

1720 Forest Ave.

(street)

Lakeside

(City)

Arizona

(State)

85929

(Zip)

(928) 537-4858

Telephone No. (Include Area Code)

(928) 537-2180

Fax No. (Include Area Code)

(602) 421-8082

Pager/Cell No. (Include Area Code)

Email Address

On Site Manager: Ronald L. McDonald

(Name)

General Manager

(Title)

5198 Cub Lake Road

(Street)

Show Low

(City)

Arizona

(State)

85901

(Zip)

(928) 537-4858

Local Office Telephone No. (Include Area Code)

(928) 537-2180

Fax No. (Include Area Code)

(928) 243-0954

Pager/Cell No. (Include Area Code)

Email Address kratchmeir@oc-net.com

☐

Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Dan Neidlinger

(Name)

3020 N. 17th Drive

(Street)

Phoenix

(City)

Arizona

(State)

85015

(Zip)

(602) 258-2343

(602) 271-0798

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email: dnied@cox.net

Attorney: Richard L. Sallquist

(Name)

2525 East Arizona Biltmore Circle Suite A-117 Phoenix

(Street)

(City)

Arizona

(State)

85016-2129

(Zip)

(602) 224-9222

(602) 224-9366

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email: dick@sd-law.com

☒ Please mark this box if the above address(es) have change or are updated since the last filing.

OWNERSHIP INFORMATION

Check the box below for the county/ies in which you are certificated to provide service:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe)

COUNTIES SERVED

Check the following box that applies to your company:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☒ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME Pineriver Water Company, dncs

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	73,175		73,175
304	Structures and Improvements	94,930	63,954	30,976
307	Wells and Springs	262,344	92,563	169,779
311	Pumping Equipment	104,629	101,478	3,151
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	304,911	155,865	149,046
331	Transmission and Distribution Mains	1,268,262	310,934	957,328
333	Services	10,116	6,625	3,491
334	Meters and Meter Installations	198,301	102,551	95,750
335	Hydrants	24,196	1,437	23,359
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	45,903	32,242	13,661
340	Office Furniture and Equipment	36,525	7,178	29,347
341	Transportation Equipment	8,343	8,129	214
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	1,082	27	1,055
346	Communication Equipment	533	208	325
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	2,433,850	883,193	1,550,657

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Pineriver Water Company, dnc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	73,175		
304	Structures and Improvements	94,930	2.45%	2,326
307	Wells and Springs	262,344	2.97%	7,458
311	Pumping Equipment	104,629	15.00%	926
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	304,911	1.80%	5,488
331	Transmission and Distribution Mains	126,826	2.00%	23,254
333	Services	10,116	2.96%	299
334	Meters and Meter Installations	198,301	3.82%	7,326
335	Hydrants	24,796	1.94%	384
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	45,903	4.95%	2,131
340	Office Furniture and Equipment	36,529	5.14%	1,684
341	Transportation Equipment	8,343	20.00%	1,669
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment	1,082	5.00%	27
346	Communication Equipment	533	5.98%	32
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	2433850		53004

AIAC Amortization

This amount goes on the Comparative Statement of Income and Expense
Acct. No. 403.

52619

COMPANY NAME

Pineview Water Company, Inc.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 27,550	\$ 3,693
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	42,124	30,576
146	Notes/Receivables from Associated Companies	23,060	23,060
151	Plant Material and Supplies	7,782	7,782
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	4,500	30,640
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 105,016	\$ 95,751
	FIXED ASSETS		
101	Utility Plant in Service	\$ 2,162,941	\$ 2,433,850
103	Property Held for Future Use		
105	Construction Work in Progress	6,983	0,000
108	Accumulated Depreciation – Utility Plant	1,109,241	883,193
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 1,060,683	\$ 1,550,657
	TOTAL ASSETS	\$ 1,165,699	\$ 1,646,408

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

Pineview Water Company, dncs

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 11,261	\$ 62,875
232	Notes Payable (Current Portion)	21,600	32,693
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	7,769	8,789
236	Accrued Taxes	23,712	26,494
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	708	7420
	TOTAL CURRENT LIABILITIES	\$ 73,050	\$ 138,271
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 350,727	\$ 377,085
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	331,865	498,746
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	15,334	23,663
272	Less: Amortization of Contributions	622	1,007
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 346,577	\$ 520,902
	TOTAL LIABILITIES	\$ 770,354	\$ 1,036,258
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 4,000	\$ 4,000
211	Paid in Capital in Excess of Par Value	513,159	513,159
215	Retained Earnings	(121,810)	92,995
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 395,349	\$ 670,150
	TOTAL LIABILITIES AND CAPITAL	\$ 1,165,699	\$ 1,646,408

COMPANY NAME Pineview Water Company, dnc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 492,378	\$ 510,608
460	Unmetered Water Revenue	1,097	1,347
474	Other Water Revenues	4,163	14,241
	TOTAL REVENUES	\$ 497,638	\$ 526,196
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 212,095	\$ 252,555
610	Purchased Water		
615	Purchased Power	42,810	47,776
618	Chemicals	2,116	1,634
620	Repairs and Maintenance	29,243	31,884
621	Office Supplies and Expense	9,844	3,189
630	Outside Services	11,558	11,525
635	Water Testing	1,694	1,336
641	Rents	52,035	34,268
650	Transportation Expenses	4,987	4,364
657	Insurance - General Liability	9,491	10,026
659	Insurance - Health and Life	12,675	25,280
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	42,002	35,431
403	Depreciation Expense	44,684	32,619
408	Taxes Other Than Income	21,410	21,744
408.11	Property Taxes	22,926	24,318
409	Income Tax	50	45
	TOTAL OPERATING EXPENSES	\$ 519,620	\$ 567,994
	OPERATING INCOME/(LOSS)	\$	\$ (41,798)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 2	\$ 129
421	Non-Utility Income	1950	1688
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	16,328	24,266
	TOTAL OTHER INCOME/(EXPENSE)	\$ (14,376)	(22,449)
	NET INCOME/(LOSS)	\$ (36,358)	\$ (64,247)

COMPANY NAME Pineview Water Company, dnc

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 102,621

Meter Deposits Refunded During the Test Year

\$ 9,417

COMPANY NAME: Pineview Water Company, Inc.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	PUMP YEILD (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (Inches)	Year Drilled
55-608847 (2)	30	115	660	6	3	1984
55-608846 (3A)	40	115	800	8	3	1977
55-565467 (3B)	40	130	820	10	3	1997
55-521710 (4A)	40	113	750	8	3	1988

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
10	1	104	
15	4		
40	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
40,000	1	6800	1
250,000	2	5000	2

COMPANY NAME: Pineview Water Company, Inc.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	Poly	641
2	PVC	6,560
3	ACP	760
4	PVC	18,630
5		
6	PVC	72,396
8	PVC	13,295
10		0
12	PVC	9,651
2	STEEL	150
4	AC	23,700
6	AC	3,750

CUSTOMER METERS

Size(in inches)	Quantity
5/8 X 3/4	837
3/4	68
1	28
1 1/2	6
2	28
Turbo 3	0
Comp. 3	2
Turbo 4	0
Comp. 4	0
Turbo. 6	0
Comp. 6	0

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

Well site #2 60' x 80' chain link fencing, 6' x 8' well house, 15' x 30' block building with 4' x 5' chlorination room

Well site #3A 4' x 8' well house, 30' x 40' stucco building, site in the construction yard

Well site #3B 4' x 8' well house, 10' x 15' stucco building, site in the construction yard

Well site #4 150' x 100' chain link fencing, 3' x 8' well house, 18' 30' block building

Other:

NAME OF COMPANY _____ →	Pineview Water Company, Inc.
ADEQ Public Water System No.	09-022

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	<u>NUMBER OF CUSTOMERS</u>	Gallons Sold (Thousands)	Gallons Pumped (Thousands)
January	933	4,831,877	7,285,545
February	941	4,413,519	6,939,800
March	933	4,057,644	6,698,300
April	938	5,414,822	7,610,100
May	947	9,041,261	11,883,200
June	948	13,863,154	14,412,400
July	948	10,250,112	11,739,200
August	961	8,744,438	10,189,000
September	962	9,927,488	10,649,400
October	965	6,316,278	7,358,000
November	959	4,610,488	5,584,600
December	961	4,648,541	5,579,200
TOTAL		N/A	105,928,745

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have An ADWR Gallons per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system? Per MAP 2003 Tests:
(If more than one well, please list each separately)

Poe #2 < 0.003 ppm
Poe #3 < 0.003 ppm
Poe#4 < 0.003 ppm

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Pineview Water Company, Inc. YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 15,600

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

APR 15 2005

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Navajo
NAME (OWNER OR OFFICIAL) TITLE	Ron McDonald General Mgr
COMPANY NAME	Pineview Water Company, Inc.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 561,881

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 35,684
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Ronald L McDonald

SIGNATURE OF OWNER OR OFFICIAL

(928) 537-4858

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14th

DAY OF

COUNTY NAME	Navajo
MONTH	April
	20 <u>05</u>

(SEAL)

MY COMMISSION EXPIRES



Kathy Muder
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

APR 15 2005

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Navajo	
NAME (OWNER OR OFFICIAL)	Ron McDonald	TITLE General Mgr.
COMPANY NAME	Pineview Water Company, Inc.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 345,858

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 22,015
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

Ronald L McDonald
SIGNATURE OF OWNER OR OFFICIAL
(928) 537-4852
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

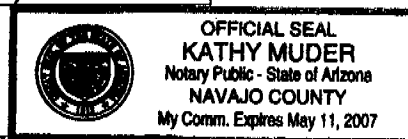
THIS

14th

DAY OF

(SEAL)

MY COMMISSION EXPIRES



NOTARY PUBLIC NAME	Kathy Muder	
COUNTY NAME	Navajo	
MONTH	April	20 05

X *Kathy Muder*
SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

COMPANY NAME Pineriver Water Company, Inc. YEAR ENDING 12/31/2004
INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported
Estimated or Actual Federal Tax Liability

(64,247)
0

State Taxable Income Reported
Estimated or Actual State Tax Liability

(64,247)
45

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances
Amount of Gross-Up Tax Collected
Total Grossed-Up Contributions/Advances

N/A
N/A
N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Ernest E Sutter

SIGNATURE

4/14/05

DATE

Ernest E Sutter

PRINTED NAME

Vic Pres

TITLE